Potential threat to the security

†4252. SHRI RAM JETHMALANI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that proofs of some such elements in the management of Jet Airways have come to light, which may pose threat to the security of the country;

(b) if so, what is Government's reaction thereto; and

(c) whether Government have taken any action in view of the potential threat to the security of the country so far, if so, the details thereof?

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN): (a) to (c) The matter is being examined by the Government.

Free import of cereals

4253. MISS MABEL REBELLO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the prices of indigenous cereals and oilseeds, coconut, groundnuts in various States of the country are decreasing sharply due to lifting of quantitative restrictions on the import of 714 articles under the pressure of World Trade Organisation (WTO);

(b) whether Government have pushed the farmers and cottage industry on the verge of destruction by giving permission of free import of these items; and

(c) if so, the reasons for taking such steps?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) to (c) Import restrictions are being removed as part of economic liberalization programme of the Government and also in terms of our international obligations. The removal of restrictions has not altered the overall rate of growth of imports of the country. The growth rate of imports was 15.3% in 1993-94, 23.1% in 1994-95, 36.4% in 1995-96, 13.2% in 1996-97, 11% in 1997-98, 15.6% in 1998-99. The process of removal of Quantitative Restrictions on most agricultural items began on 1.4.2000. The import growth rate during the year 2000-2001 was only 7.27% in rupee terms

†Original notice of the question was received in Hindi.

and 0.27% in US dollar terms. The growth rate of imports during the first nine months of financial year 2001-2002 was only 0.31% in Dollar terms and 4.55% in Rs. terms, compared to the same period for the previous year. The import data for 714 items, QRs on which were removed on 31.03.2000, for the year 2000-2001, indicates a growth in import of these items by less than 6%. Similarly, the import of 300 sensitive items, which is being monitored by a Standing Group of Secretaries, has also not indicated any surge in imports in the first nine months of financial year 2001-2002. The overall picture that emerges is thus one of normal trading activity in response to demand and supply factors.

However imports are constantly being closely monitored and the Government is determined to ensure, through appropriate use of tariff and other mechanisms, that imports do not cause any serious detriment or injury to the domestic farmers. Towards that end, import duties on a number of items, where increases in imports were noticed, have already been increased. In the budget for the year 2000-2001, import of duties on many of the agricultural items, were increased to provide further protection to domestic farmers, *e.g.* duty on rice was increased from 0% to upto 80%, on maize from 0% to 50%, on apples from 35% to 50%, on wheat from zero to 50%. Similarly, in the budget for the year 2001-2002, the custom duty on coconut, copra, tea and coffee was raised from 35% to 70%. The import duty on various refined edible oils excepting soyabean oil was raised upto 85%. Also, the import duty on crude palmolein oil was raised to 65% and on other crude edible oils excepting soyabean oil duty was raised upto 75%. In the budget for the year 2002-03, the custom duty on tea and coffee has been further raised from 70% to 100%, on natural rubber latex (code no. 4001.10) from 35% to 70%, on cloves, cardamom, pepper and poppy seeds from 35% to 70%, and on pulses from 5% to 10%.

QRs on export of onions

4254. SHRI K.B. KRISHNA MURTHY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the decision to keep Quantitative Restrictions on export of onions has proved counter-productive with the apprehensions of China overtaking India as the key player in the world onion market within two years;

(b) whether onion crop has been facing a glut for three consecutive years now and if so, the rationale behind continuing QRs on onion exports; and